



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES NATURAL GAS MERGER

Jefferson City (March 26, 2002)---The Missouri Public Service Commission has approved an application filed by Atmos Energy Corporation (Atmos) which authorizes the merger of Mississippi Valley Gas Company with and into Atmos. Mississippi Valley Gas Company provides natural gas service to approximately 261,500 customers in Mississippi. Atmos serves approximately 1.4 million natural gas customers in 11 states, including approximately 112,000 natural gas customers in Missouri.

On February 8, 2002, the Staff of the Missouri Public Service Commission recommended the application be approved with certain conditions. Some of those conditions include:

1) That any adverse financial effects of the acquisition be borne by Atmos stockholders and not Missouri ratepayers;

2) That Atmos continue, through calendar year 2004, with certain customer service provisions and measurements as agreed to in a previous case before the Missouri Public Service Commission (GM-2000-312); and

3) Atmos continue submitting surveillance data reports to the PSC Staff. The PSC Staff believes those reports will provide Staff with an opportunity to monitor the earnings of Atmos and its operating units to ensure protection of Missouri ratepayers from any possible overearnings by the Company. In addition, those reports will provide Staff with data helpful in making a preliminary assessment of the effects of the merger of Atmos and Mississippi Valley Gas Company.

The Commission approved the merger stating in its order: "The Commission finds that, with the conditions proposed by the Staff (Public Service Commission Staff), the merger will not be detrimental to the public interest. The merger itself should have no impact on Missouri customers, and the conditions may benefit Missouri customers."

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